

Prospectus

Impact Minerals Limited ACN 119 062 261

ASX:IPT

For an offer of 50,000,000 Options at nil cost per Option (**Options Offer**). The Options Offer is being made to participants in the Placement.

This Prospectus also contains an offer of 15,000,000 Options to the Joint Lead Managers (**Broker Offer**).

The Company intends to seek Quotation of the Options.

The Offers are not underwritten. The Offers close at 5:00pm AWST on 28 June 2024.

Defined terms

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary in Section 7.

Important document

This Prospectus provides important information about the Company. You should read the entire document. If you have any questions about the Options being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser.

The Options offered by this Prospectus should be considered speculative.

Important Notices

General

This Prospectus is dated 24 June 2024 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, take any responsibility for the contents of this Prospectus.

This Prospectus expires 13 months after the date of this Prospectus. No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

An application will be made to ASX within 7 days after the date of this Prospectus for the Quotation of the Options the subject of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities or options to acquire continuously quoted securities. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

This document is important and it should be read in its entirety.

The Options to be issued pursuant to this Prospectus should be viewed as a speculative investment and investors should refer to Section 2 for details of certain risk factors which are considered to be relevant for the purposes of the Offers.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

A copy of this Prospectus can be downloaded from the Company's website at

<https://www.impactminerals.com.au/> and the ASX markets platform via www.asx.com.au. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. A hard copy of this Prospectus may be obtained by contacting the Company.

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 7.

All references to currency are to Australian dollars and all references to time are to AWST unless otherwise indicated.

Overseas investors

The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the applicable securities law.

This Prospectus does not, and is not intended to, constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer or issue. This Prospectus has not been, nor will it be lodged, filed or registered with any regulatory authority under the securities laws of any other country.

Risk factors

This document is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

Refer to Section 2 for details of the risks associated with an investment in the Company. As with any securities investment, there are risks associated with investing in the Company. Investors should be aware that an

investment in the Company involves risks that may be greater than risks associated with an investment in some other companies. The principal risks that could affect the financial and market performance of the Company are detailed in Section 2 of this Prospectus.

Defined terms

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary in Section 7.

Website

No document or information included on the Company's or any third party's website is incorporated by reference into this Prospectus.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'hopes', 'expects', 'intends', 'aimed at' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of past and present economic and operating conditions and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and management.

Although the Company believes that the expectations reflected in the forward-looking statements included in this Prospectus are reasonable, none of the Company, its Directors or officers and management, or any person named in this Prospectus, can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will prove to be correct or exhaustive beyond the date of their making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, the Company has no intention to update or revise forward-looking statements, or to publish

prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

The forward-looking statements contained in this Prospectus are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Key risk factors of investing in the Company are set out in Section 2 of this Prospectus.

Electronic Prospectus

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

THIS PROSPECTUS IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY.

Corporate Directory

Board of Directors

Peter Unsworth

Michael Jones

Paul Ingram

Frank Bierlein

Non-Executive Chairman

Managing Director

Non-Executive Director

Non-Executive Director

Company Secretary

Arron Canicaïs

Share Registry*

Automatic Pty Ltd
Level 5, 126 Phillip Street
Sydney, NSW 2000

Phone: 1300 288 664
Email: hello@automatic.com.au

Registered and Principal Office

9 Richardson Street
West Perth, WA 6005

Phone: +61 (8) 6454 6666
Email: info@impactminerals.com.au
Website: <https://www.impactminerals.com.au>

Corporate Lawyers

HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth, WA 6000

Auditor*

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco, WA 6008

Joint Lead Managers

Evolution Capital Pty Ltd
Level 8, 143 Macquarie Street
Sydney, NSW 2000
Phone: +61 (2) 8379 2960

Barclay Pearce Capital Asset Management
Pty Ltd
Level 17, 115 Pitt Street
Sydney, NSW 2000
Phone: +61 (2) 8288 6900

*** These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.**

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INVESTMENT OVERVIEW

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Options.

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 5.4
<p>Details of the Offers</p> <p>On 17 May 2024, the Company announced a capital raising by way of placement of 150,000,000 Shares to sophisticated investors to raise a total of \$3,000,000 (before costs) at an issue price of \$0.02 per Share. For every 3 Shares taken up under the Placement, the Company agreed to offer 1 free-attaching option with an exercise price of \$0.027, expiring 15 months after the date of issue.</p> <p>The Company is offering the Options pursuant to this Prospectus to those persons who are entitled to receive Options arising from their participation in the Placement. This Prospectus has also been issued to facilitate secondary trading of the Options and any Shares issued upon exercise of the Options to be issued under the Offers.</p> <p>This Prospectus also includes an offer of 15,000,000 Broker Options to the Joint Lead Managers. The Broker Options will be issued on the same terms as the Options issued to Placement Participants and only the Joint Lead Managers are offered and can subscribe for the Broker Options.</p> <p>Options issued in connection with the Placement and to the Joint Lead Managers will be issued for nil consideration and therefore the Applicants are not required to pay any funds with the Application Form in respect of the Options.</p> <p>No funds will be raised from the Offers.</p>	Sections 1.1 and 1.2
<p>Risk factors</p> <p>Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 2, including (but not limited to) risks in respect of:</p> <p>(a) Future capital requirements</p> <p>The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Company's projects are</p>	Section 2

successfully explored, evaluated, developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities.

In order to successfully evaluate and develop the Projects and for production to commence, the Company will require further financing in the future. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of Securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's Existing Shareholders will be diluted.

(b) **Exploration and development risk**

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration and development activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

Further to the above, the future development of mining operations at the Lake Hope Project (or any other current or future projects that the Company may have or acquire an interest in) is dependent on a number of factors and avoiding various risks, including but not limited to the successful completion of a pre-feasibility study and subsequent geological studies, the mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk

of access to the required level of funding and contracting risk from third parties providing essential services.

In addition, the construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control. Any delay to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete the project development and commence operations.

(c) **Contract execution risk**

The Company has entered into a binding share sale and purchase agreement for the sale of up to 75% of the shares in Endeavour Minerals Pty Ltd, the Company's wholly owned subsidiary, to Burrendong Minerals Ltd. Endeavour Minerals Pty Ltd holds the Commonwealth Project. Notably, completion of the share sale and purchase agreement is conditional on Burrendong Minerals Ltd completing an initial public offering and listing on the ASX within 9 months of signing the share sale and purchase agreement. The conditions precedent of the sale have not been satisfied at the date of this Prospectus and there remains a risk that the conditions precedent will not be satisfied, such that Endeavor Minerals Pty Ltd is not sold and the Commonwealth Project remains with the Company. This has a financial impact as the Commonwealth Project is accounted for as an available for sale current asset in the balance sheet of the Company and would need to be converted back to exploration expenditure being a non-current asset.

The Company has also entered into a binding conditional agreement with the shareholders of Playa One Pty Ltd to acquire up to an 80% interest in the Lake Hope Project. The agreement is conditional on the achievement of several milestones, including the satisfactory completion of a pre-feasibility study and definitive feasibility study. Not all of the milestones have been achieved at the date of this Prospectus and there remains a risk that the milestones will not be achieved, such that the Company will not acquire up to an 80% interest in the Lake Hope Project.

(d) **Resource estimates**

Whilst the Company intends to undertake exploration activities with the aim of defining a resource on Projects, no assurance can be given that the exploration will result in the determination of new or additional resources on any tenement. Even if a resource is identified, no assurance can be provided that this can be economically extracted.

If the Company successfully delineates a resource or reserve on any of the tenements (or where the Projects have defined resources), resource or reserve estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or

Key Information	Further Information
<p>techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, resource estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.</p> <p>(e) Results of studies</p> <p>Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in relation to its Projects. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.</p> <p>These studies will be completed within parameters designed to determine the economic feasibility of the subject Projects within certain limits. There can be no guarantee that any of these studies will confirm the economic viability of the subject Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ from the results of a scoping study).</p> <p>Even if a study confirms the economic viability of a Project, there can be no guarantee that the Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.</p> <p>(f) Joint venture risk</p> <p>The Company's interests in a number of the Projects are subject to joint venture arrangements. As with any joint venture, it is subject to various counterparty risks including failure by the joint venture counterparty, to act in the best interests of the joint venture. Any failure by the counterparty to act in the best interests of the joint venture may or may not give the Company contractual remedies, however, even if such remedies are available, they may be costly and time consuming to pursue.</p> <p>(g) Rehabilitation of tenements</p> <p>In relation to the Company's proposed operations, issues could arise from time to time with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In these instances, the Company may become subject to liability if, for example, there is environmental pollution or damage from the Company's</p>	

exploration activities and there are consequential clean-up costs at a later point in time.

(h) **Tenement conditions**

The Company's Projects will be subject to various tenement conditions (including, without limitation, minimum work requirements). Failure to comply with such conditions may lead to forfeiture. The tenements will also be subject to renewal. If any of the tenements are not renewed for any reason the Company could suffer damage through loss of opportunity to explore and develop those tenements. The Directors are not aware of any reason why renewal of the tenements will not occur.

(i) **Title and tenure**

The Company's Projects only currently permit exploration activities. If the Company successfully delineates an economic resource on any of these exploration permits or implements a technology aimed at extraction of resources, it will need to apply for a mining permit to undertake development and mining. There is no guarantee that the Company will be granted a mining permit if one is applied for, as such grants are discretionary.

Exploration permits are subject to annual review and periodic renewal. The renewal of the term of a granted exploration permit is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the permits comprising the Company's Projects. While it is the Company's intention to satisfy the conditions that apply to the tenements, there can be no guarantees that, in the future, the tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the tenements will be satisfied. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Projects that adversely impact the Company.

If a tenement holder fails to comply with the terms and conditions of a tenement, the Minister may impose a fine or order that the tenement be forfeited. In most cases, an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture of the tenement.

(j) **Native title and Aboriginal heritage**

Where native title does or may exist over any of the Company's tenements, the ability of the Company to convert such tenements or part thereof into a valid mining lease (for example in the event of the Company making a discovery) will be subject to the Company reaching a commercial agreement with the holders of or applicants for native title or on the Company obtaining a determination from the National Native Title Tribunal that the mining lease be granted in the absence of such an agreement. The negotiation of such a commercial agreement or

proceedings in the courts could materially delay the grant of such a mining lease and substantially add to the Company's costs; failure to reach such an agreement could result in the Company being unable to obtain a mining lease.

Irrespective of whether native title exists in the relevant areas, in order to conduct exploration activities on the tenements, the Company will usually need to undertake clearance activities in conjunction with the appropriate Aboriginal parties, anthropologists and archaeologists to ascertain whether any sites of significance to Aboriginal parties exist in the relevant areas. Undertaking and completing such site clearance procedures can cause delays to the implementation of exploration activities. Delays in completing such clearance activities can impede or prevent the Company from satisfying the minimum expenditure conditions on the relevant tenements, with the result that the Company may in some instances need to seek whole or partial exemptions from expenditure under the relevant mining legislation in order to keep the relevant tenements in good standing. There is no certainty that such exemptions will be granted in all instances.

Where such significant sites do exist, the Company's ability to conduct exploration on those areas may be subject to obtaining relevant consents under the Aboriginal heritage laws.

(k) Failure to satisfy expenditure commitments

Each exploration permit carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in a tenement if the permit conditions are not met or if insufficient funds are available to meet expenditure commitments.

(l) Land access and compensation

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to gain access to land in Australia. Negotiations with both native title parties and land-owners/occupiers are generally required before the Company can access land for exploration or mining activities. The Company will experience delays and cost overruns if it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, harvesting, government legislation, landholder or community activities or other factors.

Access to land often depends on the Company being successful in negotiating with landholders or other stakeholders. There is no assurance that the Company will obtain all the permissions required as and when required or that new conditions will not be imposed in connection therewith. To the extent such permissions are not obtained,

Key Information	Further Information												
<p>the Company's current and future exploration and development activities may be curtailed or their continuation prohibited.</p> <p>(m) Loss of key personnel</p> <p>The Company relies heavily on the abilities of key employees and management. The Company's performance is reliant on its ability to both retain and attract skilled individuals and to appropriately incentivise them. Although the Company expects to be able to attract and retain skilled and experienced personnel, there can be no assurance that it will be able to do so.</p>													
<p>Use of funds</p> <p>No funds will be raised under the Offers. After paying expenses of the Offers of approximately \$39,029 (exclusive of GST) (refer to Section 5.12 for further details), there will be no net proceeds from the Offers. The expenses of the Offers will be met from the Company's existing cash reserves.</p> <p>The Company will receive \$0.027 per Option if exercised. If all Options are exercised, the Company will receive approximately \$1,755,000. There is no certainty that any Options will be exercised and the proportion exercised will depend on the Share price relative to the exercise price during the exercise period. It is currently intended that any funds raised as a result of the Offers (including pursuant to the exercise of any Options) will be used towards the expenses of the Offers, continued exploration and development of the Company's existing projects (including the Lake Hope Project and Arkun Project) and for working capital purposes (refer to the Company's Quarterly Activities Report for further details on the Company's projects). Working capital includes but is not limited to corporate administration and operating costs and may be applied to additional directors' fees or executive fees, ASX and Share Registry fees, legal, tax and audit fees, insurance and travel costs.</p>	Section 3.3(a)												
<p>Effect on control of the Company</p> <p>No investor or Existing Shareholder is anticipated to hold a voting power of 20% or more as a result of the Offers.</p>	Section 3.4												
<p>Indicative capital structure and pro-forma statement of financial position</p> <p>The indicative capital structure upon completion of the Offers is set out below:</p> <table border="1" data-bbox="240 1720 1252 1877"> <thead> <tr> <th data-bbox="240 1720 930 1758">Shares</th><th data-bbox="930 1720 1252 1758">Number</th></tr> </thead> <tbody> <tr> <td data-bbox="240 1758 930 1798">Shares on issue as at the date of this Prospectus</td><td data-bbox="930 1758 1252 1798">3,059,433,718</td></tr> <tr> <td data-bbox="240 1798 930 1877">Total number of Shares on completion of the Offer</td><td data-bbox="930 1798 1252 1877">3,059,433,718</td></tr> </tbody> </table> <table border="1" data-bbox="240 1910 1252 2092"> <thead> <tr> <th data-bbox="240 1910 930 1948">Options</th><th data-bbox="930 1910 1252 1948">Number</th></tr> </thead> <tbody> <tr> <td data-bbox="240 1948 930 2022">Quoted options on issue as at the date of this Prospectus</td><td data-bbox="930 1948 1252 2022">Nil</td></tr> <tr> <td data-bbox="240 2022 930 2092">Unquoted options on issue as at the date of this Prospectus</td><td data-bbox="930 2022 1252 2092">186,000,000</td></tr> </tbody> </table>	Shares	Number	Shares on issue as at the date of this Prospectus	3,059,433,718	Total number of Shares on completion of the Offer	3,059,433,718	Options	Number	Quoted options on issue as at the date of this Prospectus	Nil	Unquoted options on issue as at the date of this Prospectus	186,000,000	Section 3.2
Shares	Number												
Shares on issue as at the date of this Prospectus	3,059,433,718												
Total number of Shares on completion of the Offer	3,059,433,718												
Options	Number												
Quoted options on issue as at the date of this Prospectus	Nil												
Unquoted options on issue as at the date of this Prospectus	186,000,000												

Key Information		Further Information
Options to be issued pursuant to the Offers	65,000,000	
Total Options on issue on completion of the Offers	251,000,000	
Performance Rights	Number	
Performance Rights on issue as at the date of this Prospectus	137,000,000	
Performance Rights on issue on completion of the Offers	137,000,000	
The pro-forma statement of financial position showing the effect of the Offers is in 3.3(b).		
Directors' participation in the Offers None of the Directors will participate in the Offers. The relevant interests of each of the Directors in Securities as at the date of this Prospectus are set out in Section 5.9.		Sections 5.9 and 5.10
Forward looking statements This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law. These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 2.		Important Information and Section 2

1. Details of the Offers

1.1 Background to the Offers

On 17 May 2024, the Company announced a capital raising by way of placement of 150,000,000 Shares to sophisticated investors to raise a total of \$3,000,000 (before costs) at an issue price of \$0.02 per Share. For every 3 Shares taken up under the Placement, the Company agreed to offer 1 free-attaching option with an exercise price of \$0.027, expiring 15 months after the date of issue.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to offer those securities for sale within 12 months of their issue. The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). However, the Company is precluded from issuing a 'cleansing' notice in respect of the Options, as they are not in a class of securities that were quoted securities at all times in the last 3 months.

Consequently, the Company is offering the Options pursuant to this Prospectus to those persons who are entitled to receive Options arising from their participation in the Placement.

Barclay Pearce Capital Asset Management Pty Ltd and Evolution Capital Pty Ltd acted as the joint lead managers to the Offers pursuant to the Broker Mandate. Under the Broker Mandate, the Company agreed to pay the Joint Lead Managers the following fees and issue the following securities:

- (a) a management fee of 2% plus GST of proceeds raised under the Placement (to be split equally between the Joint Lead Managers),
- (b) a selling fee of 4% plus GST of proceeds raised under the Placement, excluding the Chairman's List (to be split equally between the Joint Lead Managers, according to their allocations); and
- (c) 15,000,000 Options (to be split equally between the Joint Lead Managers).

Consequently, the Company is offering the Joint Lead Managers these Options pursuant to this Prospectus as contemplated in the Broker Mandate.

This Prospectus has also been issued to facilitate secondary trading of the Options and any Shares issued upon exercise of the Options to be issued under the Offers.

1.2 The Offers

This Prospectus invites Placement Participants to apply for a total of up to 50,000,000 Options in accordance with their entitlements under the Placement.

All Placement Participants will be sent a copy of this Prospectus, together with an Application Form. Only the Placement Participants can accept the Options Offer. Refer to Section 1.7 for details on how to apply for Options.

This Prospectus also includes an offer of 15,000,000 Options (**Broker Options**) to the Joint Lead Managers. The Broker Options will be issued on the same terms as the Options issued to Placement Participants and only the Joint Lead Managers are offered and can subscribe for the Broker Options.

No funds will be raised from the Offers.

The Offers are only available to those who are personally invited to accept the Offers. Accordingly, Application Forms will only be provided by the Company to these parties.

All Options offered under this Prospectus will be issued on the same terms and conditions, as set out in Section 4.3. Subject to the quotation requirements of the Listing Rules and the exercise by ASX of its discretion not to admit the Options to Official Quotation, the Options issued under this Prospectus will form a new class of listed security of the Company.

All Shares issued on exercise of the Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 4.2 for further details regarding the rights and liabilities attaching to Shares.

Where the determination of the entitlement of any Placement Participant results in a fraction of an Option, such fraction will be rounded up to the nearest whole Option.

1.3 Timetable and important dates

Event	Date*
Lodgment of Prospectus with ASIC and ASX	24 June 2024
Opening Date of the Offers	24 June 2024
Closing Date of the Offers	5:00pm (AWST) on 28 June 2024
Dispatch of holding statements in respect of the Offers	2 July 2024
Expected date for Quotation of the Options	2 July 2024

**The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. As such the date the Options are expected to commence trading on ASX may vary.*

1.4 Minimum subscription

There is no minimum subscription under the Offers.

1.5 Offer Period for Offers

The opening date for the Offers is 24 June 2024. The Offers will remain open until the Closing Date, which is 5:00pm (AWST) on 28 June 2024 (unless varied).

The Directors may open and close the Offers on any other date and time, without prior notice as the Directors, in their absolute discretion and subject to compliance with the Corporations Act and the Listing Rules, may determine. You are encouraged to submit your Application as early as possible.

1.6 Offers not underwritten

The Offers are not underwritten.

1.7 How to accept the Offers

Only the Placement Participants and the Joint Lead Managers will respectively be provided a copy of this Prospectus and only:

- For personal use only
- (a) Placement Participants will receive an Application Form (as directed by the Joint Lead Managers) in respect of the Options Offer; and
 - (b) the Joint Lead Managers will receive an Application Form in respect of the Broker Options.

Applications for Options must be made by the Placement Participants and the Joint Lead Managers at the direction of the Company and must be made using the relevant Application Form.

Placement Participants may only make an application in accordance with their entitlement under the Placement using an Application Form or as directed by the Joint Lead Managers.

Options issued in connection with the Placement and to the Joint Lead Managers will be issued for nil consideration and therefore the Applicants are not required to pay any funds with the Application Form in respect of the Options.

Completed Application Forms must be given to the Company at options@impactminerals.com.au by no later than the Closing Date.

The Application Form does not need to be signed to be a binding acceptance of the Options under the Offers. If the Application Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

If you are in doubt as to the course of action, you should consult your professional advisers.

1.8 Quotation

Application for Official Quotation by ASX of the Options offered pursuant to this Prospectus will be made within seven (7) days after the date of this Prospectus. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of three (3) months after the date of this Prospectus, or such period as varied by ASIC, the Company will not issue any Options. No application monies will be repayable if the Options are not issued within this time period given that the Options are being issued under both of the Offers for nil consideration.

The fact that ASX may grant Official Quotation of the Options is not to be taken in any way as an indication of the merits of the Company or the Options offered for subscription under this Prospectus.

1.9 Issue of Options

The Options to be issued pursuant to the Offers will be issued in accordance with the timetable set out in Section 1.3 (**Timetable**) and otherwise in accordance with the Listing Rules.

Holding statements for the Options issued under the Offers will be mailed in accordance with the Timetable and otherwise in accordance with the Listing Rules.

1.10 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Options.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will specify the number of Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Options, including a notice to exercise the Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.11 Risks

Investors should be aware that the Options offered under this Prospectus should be considered highly speculative and involves a number of risks inherent in the various business segments of the Company. Section 2 contains a non-exhaustive list of key risk factors of which investors should be aware. It is recommended that investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety, as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company, please contact your stockbroker, solicitor, accountant or other professional adviser without delay.

1.12 Overseas Applicants

No action has been taken to register or qualify the Securities, or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside of Australia.

The distribution of this Prospectus within jurisdictions outside of Australia may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

1.13 Notice to nominees and custodians

The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Options Offer is compatible with applicable foreign laws.

1.14 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the Securities of the Company.

1.15 Privacy disclosure

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry.

The Company and the Share Registry collect, hold and use that personal information to assess Applications for Securities, to provide facilities and services to Security holders and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with relevant privacy laws. If you do not provide the information required on the relevant Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about it, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.16 Enquiries

This Prospectus provides information for investors in the Company and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, solicitor, accountant or other professional adviser without delay.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company's Company Secretary, Arron Canicais, at arronc@impactminerals.com.au and copy in options@impactminerals.com.au.

2. Risk Factors

2.1 Introduction

The Options offered under this Prospectus should be considered speculative. Whilst the Directors recommend that Placement Participants take up their entitlement to Options, the Directors do urge Shareholders to consider the non-exhaustive list of risk factors described below, together with information contained elsewhere in this Prospectus and in the Company's ASX announcements before deciding whether to apply for the Options.

Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the Options (or the underlying Shares) will trade.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

2.2 Company specific

(a) Future capital requirements

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Company's projects are successfully explored, evaluated, developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities.

In order to successfully evaluate and develop the Projects and for production to commence, the Company will require further financing in the future. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of Securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's Existing Shareholders will be diluted.

(b) Exploration and development risk

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration and development activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

Further to the above, the future development of mining operations at the Lake Hope Project (or any other current or future projects that the Company may have or acquire an interest in) is dependent on a number of factors and avoiding various risks, including but not limited to the successful completion of a pre-feasibility study and subsequent geological studies, the mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services.

In addition, the construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control.

Any delay to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete the project development and commence operations.

(c) Contract execution risk

The Company has entered into a binding share sale and purchase agreement for the sale of up to 75% of the shares in Endeavour Minerals Pty Ltd, the Company's wholly owned subsidiary, to Burrendong Minerals Ltd. Endeavour Minerals Pty Ltd holds the Commonwealth gold-volcanogenic massive sulphide project in New South Wales (**Commonwealth Project**). Notably, completion of the share sale and purchase agreement is conditional on Burrendong Minerals Ltd completing an initial public offering and listing on the ASX within 9 months of signing the share sale and purchase agreement. The conditions precedent of the sale have not been satisfied at the date of this Prospectus and there remains a risk that the conditions precedent will not be satisfied, such that Endeavor Minerals Pty Ltd is not sold and the Commonwealth Project remains with the Company. This has a financial impact as the Commonwealth Project is accounted for as an available for sale current asset in the balance sheet of the Company and would need to be converted back to exploration expenditure being a non-current asset.

The Company has also entered into a binding conditional agreement with the shareholders of Playa One Pty Ltd to acquire up to an 80% interest in the Lake Hope Project. The agreement is conditional on the achievement of several milestones, including the satisfactory completion of a pre-feasibility study and definitive feasibility study. Not all of the milestones have been achieved at the date of this Prospectus and there remains a risk that the milestones will not be achieved, such that the Company will not acquire up to an 80% interest in the Lake Hope Project.

(d) Resource estimates

Whilst the Company intends to undertake exploration activities with the aim of defining a resource on Projects, no assurance can be given that the exploration will result in the determination of new or additional resources on any tenement. Even if a resource is identified, no assurance can be provided that this can be economically extracted.

If the Company successfully delineates a resource or reserve on any of the tenements (or where the Projects have defined resources), resource or reserve estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, resource estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(e) Results of studies

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in relation to its Projects. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the subject Projects within certain limits. There can be no

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guarantee that any of these studies will confirm the economic viability of the subject Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ from the results of a scoping study).

Even if a study confirms the economic viability of a Project, there can be no guarantee that the Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

(f) Joint venture risk

The Company's interests in a number of the Projects are subject to joint venture arrangements. As with any joint venture, it is subject to various counterparty risks including failure by the joint venture counterparty, to act in the best interests of the joint venture. Any failure by the counterparty to act in the best interests of the joint venture may or may not give the Company contractual remedies, however, even if such remedies are available, they may be costly and time consuming to pursue.

(g) Rehabilitation of tenements

In relation to the Company's proposed operations, issues could arise from time to time with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In these instances, the Company may become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time.

(h) Tenement conditions

The Company's Projects will be subject to various tenement conditions (including, without limitation, minimum work requirements). Failure to comply with such conditions may lead to forfeiture. The tenements will also be subject to renewal. If any of the tenements are not renewed for any reason the Company could suffer damage through loss of opportunity to explore and develop those tenements. The Directors are not aware of any reason why renewal of the tenements will not occur.

(i) Title and tenure

The Company's Projects only currently permit exploration activities. If the Company successfully delineates an economic resource on any of these exploration permits or implements a technology aimed at extraction of resources, it will need to apply for a mining permit to undertake development and mining. There is no guarantee that the Company will be granted a mining permit if one is applied for, as such grants are discretionary.

Exploration permits are subject to annual review and periodic renewal. The renewal of the term of a granted exploration permit is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the permits comprising the Company's Projects. While it is the Company's intention to satisfy the conditions that apply to the tenements, there can be no guarantees that, in the future, the tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the tenements will be satisfied. Renewal conditions may include increased expenditure and work commitments or

compulsory relinquishment of areas of the tenements comprising the Projects that adversely impact the Company.

If a tenement holder fails to comply with the terms and conditions of a tenement, the Minister may impose a fine or order that the tenement be forfeited. In most cases, an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture of the tenement.

(j) Native title and Aboriginal heritage

Where native title does or may exist over any of the Company's tenements, the ability of the Company to convert such tenements or part thereof into a valid mining lease (for example in the event of the Company making a discovery) will be subject to the Company reaching a commercial agreement with the holders of or applicants for native title or on the Company obtaining a determination from the National Native Title Tribunal that the mining lease be granted in the absence of such an agreement. The negotiation of such a commercial agreement or proceedings in the courts could materially delay the grant of such a mining lease and substantially add to the Company's costs; failure to reach such an agreement could result in the Company being unable to obtain a mining lease.

Irrespective of whether native title exists in the relevant areas, in order to conduct exploration activities on the tenements, the Company will usually need to undertake clearance activities in conjunction with the appropriate Aboriginal parties, anthropologists and archaeologists to ascertain whether any sites of significance to Aboriginal parties exist in the relevant areas. Undertaking and completing such site clearance procedures can cause delays to the implementation of exploration activities. Delays in completing such clearance activities can impede or prevent the Company from satisfying the minimum expenditure conditions on the relevant tenements, with the result that the Company may in some instances need to seek whole or partial exemptions from expenditure under the relevant mining legislation in order to keep the relevant tenements in good standing. There is no certainty that such exemptions will be granted in all instances.

Where such significant sites do exist, the Company's ability to conduct exploration on those areas may be subject to obtaining relevant consents under the Aboriginal heritage laws.

(k) Failure to satisfy expenditure commitments

Each exploration permit carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in a tenement if the permit conditions are not met or if insufficient funds are available to meet expenditure commitments.

(l) Land access and compensation

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to gain access to land in Australia. Negotiations with both native title parties and land-owners/occupiers are generally required before the Company can access land for exploration or mining activities. The Company will experience delays and cost overruns if it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, harvesting, government legislation, landholder or community activities or other factors.

Access to land often depends on the Company being successful in negotiating with landholders or other stakeholders. There is no assurance that the Company will obtain all the permissions required as and when required or that new conditions will not be imposed in connection therewith. To the extent such permissions are not obtained, the Company's current and future exploration and development activities may be curtailed or their continuation prohibited.

(m) Loss of key personnel

The Company relies heavily on the abilities of key employees and management. The Company's performance is reliant on its ability to both retain and attract skilled individuals and to appropriately incentivise them. Although the Company expects to be able to attract and retain skilled and experienced personnel, there can be no assurance that it will be able to do so.

(n) Commodity price volatility and exchange rate risks

The value of the Company's assets and potential earnings may be affected by fluctuations in commodity prices and exchange rates.

These prices can significantly fluctuate and are exposed to numerous factors beyond the control of the Company, such as world demand for commodities, forward selling by producers and production cost levels in major producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, global economic trends and domestic and international fiscal, monetary and regulatory policy settings.

At this time, the Company has not put any hedging arrangements in place, but may do so in future when the Directors consider it appropriate.

(o) Climate change regulation

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks, there can be no guarantee that the Company will not be adversely impacted by these occurrences;
- (ii) certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates; and
- (iii) adverse weather events which may disrupt field work and exploration activities.

(p) Corporate responsibility risk

The Company's operations and activities interact with a range of community stakeholders who have an interest in the impacts of the Company's activities and require the Company to maintain a social licence to discover, develop and operate mining projects. This encompasses compliance with environmental laws and regulations, occupational health and safety laws and regulations and anti-bribery and corruption laws. It also encompasses establishment and maintenance of community relations. These give rise to a range of risks including land access, reputational risk and the risk of losing its social licence to operate. These risks have the potential to reduce access to resources, impact the Company's reputation and increase operating costs including from compliance obligations arising from changes in laws and regulations.

(q) Force majeure

Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its Shares. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially and adversely affected if any of the events described above occur.

(r) Information systems and cyber risk

The Company is reliant on information technology systems. Despite the Company's security measures, it is possible that these systems may be breached. Unauthorised third party access to the Company's information technology systems and the resulting potential theft, loss or misuse of the Company's information could adversely impact the operations and performance of the Company and the price of its securities.

(s) Intellectual property risk

Should the Company acquire technology for use in the development of its Projects, there may be circumstances where the Company's intellectual property cannot be protected or is subject to unauthorised disclosure, infringement or challenge by a third party. The Company may incur significant costs in asserting its rights in such circumstances. Even a registered patent can be invalidated in certain circumstances.

There can be no assurance that any technology the Company may acquire will afford the Company a competitive advantage, commercially significant protection of the intellectual property, or that the intellectual property will have successful commercial application.

There is always a risk of third parties claiming involvement in technological discoveries. Further, competition in retaining and sustaining protection of intellectual property and the complex nature of intellectual property can lead to expensive and lengthy patent disputes, for which there can be no guaranteed outcome. Some parties may be able to utilise their greater financial resources to better sustain the costs of litigation or proceedings.

(t) Acquisitions and commercialisation risks

Should the Company acquire new assets, its ability to generate revenue will depend on the Company being successful in developing and commercialising these new assets. The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the one or more of its mineral projects or investments in assets is successfully developed and commercially exploited.

There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and/or the issuance of equity securities, which will dilute shareholdings.

(u) Litigation and dispute risks

The Company may, from time to time, be the subject of complaints, litigation, inquiries or audits initiated by customers, employees, commercial partners, suppliers, landlords, Government agencies, regulators or other third parties alleging or investigating matters such as asset ownership, resource use, product quality and supply issues, injury, health, employment, environmental, safety or operational concerns, nuisance, negligence, failure to comply with applicable laws and regulations or failure to comply with contractual obligations. Any such matter, even if successfully addressed without direct adverse financial effect, could have an adverse effect on the Company's reputation and divert its financial and management resources from more beneficial uses. If the Company were found to be liable under any such claims, this could have a material adverse effect on the Company's future financial performance.

(v) Insurance

Insured or uninsured catastrophic events such as acts of God, fires, floods, earthquakes, widespread health emergencies, pandemics, epidemics, wars and strikes, could affect the value or the availability of the company's assets and the ability of the Company to sustain operations, provide essential products and services or recover operating costs. Should damage be sustained as a result of these risks, the Company's business and financial performance may be adversely affected. The Company intends to insure its operations in accordance with industry practice. However, it is not always possible to obtain insurance against all such risks and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

(w) Approval risks

The Company's projects may require further approvals from third parties before they can be developed. These are likely to include construction, environmental and Aboriginal heritage approvals. There can be no assurance that these approvals will be obtained. Obtaining the necessary permits and approvals can be a time consuming process and there is a risk that the Company will not be able to obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development or operation of a project. Any

failure to comply with applicable laws and licences, could result in fines, penalties or other liabilities.

(x) Operational risks

The Company's operational assets are subject to risks that may result in the assets failing to perform in line with expectations. For example, there is a risk that the Company's assets may be damaged or destroyed by hail, wind, flood, cyclone, hurricane, earthquake, fire, war, explosion, terrorism or some other natural or man-made disaster. These risks may impact generation, lead to failure or deterioration of equipment, adversely impact performance and business stability of the Company's suppliers and contractors, and lead to transmission system congestion, curtailment or failure of the plant, labour issues and strikes, and other operational issues.

(y) Environmental risks

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. The Company's activities are expected to have an impact on the environment. It is the intention of the Company to adhere to its environmental obligations, including compliance with environmental laws. Further, events such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges to the environment, or non-compliance with environmental laws or regulations.

(z) Occupational health and safety risk

There is a risk that an incident could lead to a fatality or serious harm to an employee, a contractor, a joint venture/third party employee or a member of the public. Employees may be exposed to hazards and risks when working on operating assets. If such an incident were to occur, this may affect the Company's reputation. The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors.

(aa) Regulatory risks

The Company's activities are subject to extensive laws and regulations relating to numerous matters including licences and approvals, environmental compliance and rehabilitation, taxation, health and worker safety, waste disposal, protection of the environment, native title and heritage matters and other matters. Whilst the Company believes that it is in substantial compliance with all material current laws and regulations, changes in how laws and regulations are enforced, or regulatory interpretation could result in changes in legal requirements or in the terms of existing licences, approvals and agreements applicable to the Company or its future projects. This could have a material adverse impact on the Company's future and planned operations.

2.3 General Risks

(a) Economic risks

Changes in the general economic climate in which Company operates may adversely affect the financial performance of Company. Factors that may contribute to that general economic climate include, but are not limited to:

- (i) the level of direct and indirect competition against the Company;

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- (ii) general economic conditions;
 - (iii) changes in government policies, taxation and other laws;
 - (iv) the strength of the equity and share markets in Australia and throughout the world;
 - (v) movement in, or outlook on, exchange rates, interest rates and inflation rates;
 - (vi) industrial disputes in Australia and overseas;
 - (vii) changes in investor sentiment toward particular market sectors;
 - (viii) financial failure or default by an entity with which the Company may become involved in a contractual relationship; and
 - (ix) natural disasters, social upheaval or war.

(b) Regulatory risks

The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Regulatory areas which are of particular significance to the Company include environmental compliance and rehabilitation, mining, taxation, employee relations, worker health and safety, waste disposal, protection of the environment, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations.

These permits relate to exploration, development, production and rehabilitation activities. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

(c) Share price

The price at which Securities are quoted on the ASX may increase or decrease due to a number of factors. There is no assurance that the price of the Shares will increase, even if the Company's earnings increase.

Some of the factors which may affect the price of the Shares include fluctuations in the domestic and international market for listed stocks, general economic conditions including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies, legislation or regulation, inclusion in or removal from market indices, the addition or departure of key personnel, actual or anticipated fluctuations in the Company's results and recommendations of analysts in relation to those results, fluctuations in the industry in which the Company operates and general operational and business risks.

Other factors which may negatively affect investor sentiment and influence the Company specifically or the stock market more generally include acts of terrorism, an outbreak of international hostilities or fires, floods, earthquakes, labour strikes, civil wars and other natural disasters.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and mining and exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return to security holders arising from the transactions the subject of this Prospectus or otherwise.

(d) Macroeconomic risks

Changes in the general economic outlook in Australia and globally may impact the performance of the Company and its projects. Such changes may include:

- (i) uncertainty in the Australian economy or increases in the rate of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);
- (ii) increases in expenses (including the cost of goods and services used by the Company);
- (iii) new or increased government taxes, duties or changes in taxation laws; and
- (iv) fluctuations in equity markets in Australia and internationally.

Prolonged and significant downturn in general economic conditions may have a material adverse impact on the Company's trading and financial performance.

(e) Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Options offered under this Prospectus.

Therefore, the underlying Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

3. Purpose and effect of the Offers

3.1 Purpose of the Offers

The purposes of this Prospectus are to:

- (a) make the Offers and issue the Options under the Offers;
- (b) obtain Quotation of the Options issued under the Offers;
- (c) facilitate secondary trading of the Options issued under the Offers; and
- (d) facilitate secondary trading of any Shares issued upon exercise of the Options issued under the Offers.

Section 707(3) of the Corporations Act generally requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). However, the Company is precluded from issuing a 'cleansing' notice in respect of the Options as they are not in a class of securities that were quoted securities at all times in the last 3 months.

Consequently, the Company has issued this Prospectus in respect of the Offers to the Placement Participants and to the Joint Lead Managers. Issuing the Options under this Prospectus will enable persons who are issued the Options to on-sell their Options, as well as any Shares issued on exercise of the Options pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

3.2 Effect of the Offers

The principal effect of the Offers (assuming all Options offered under this Prospectus are issued) will be that 65,000,000 Options will be issued. Assuming no other Securities are issued, exercised or converted, the effect of the Offers on the Company's capital structure is as follows:

Shares	Number
Shares on issue as at the date of this Prospectus	3,059,433,718
Total number of Shares on completion of the Offers	3,059,433,718

Options	Number
Quoted options on issue as at the date of this Prospectus	Nil
Unquoted options on issue as at the date of this Prospectus	186,000,000 ¹
Options to be issued pursuant to the Offers	65,000,000 ²
Total options on issue on completion of the Offers	251,000,000

Notes:

1. The Company has on issue 186,000,000 unquoted options, comprising:
 - (a) 30,000,000 options exercisable at \$0.01125 and expiring on 1 December 2025;
 - (b) 66,000,000 options exercisable at \$0.0125 and expiring on 30 November 2025;
 - (c) 83,000,000 options exercisable at \$0.0217 and expiring on 31 October 2025;
 - (d) 3,000,000 options exercisable at \$0.024 and expiring on 22 April 2025; and
 - (e) 4,000,000 options exercisable at \$0.024 and expiring on 31 October 2025.
2. Options to be issued under the Offers comprise:
 - (a) 15,000,000 Broker Options issued to the Joint Lead Managers, as follows:
 - (i) 7,500,000 Broker Options to be issued to BPC; and

(ii) 7,500,000 Broker Options to be issued to Evolution; and

(b) 50,000,000 Options to be issued to the Placement Participants.

Performance Rights	Number
Performance rights on issue as at the date of this Prospectus	137,000,000
Performance rights on issue on completion of the Offers	137,000,000

Assuming the Options are exercised in accordance with the terms and conditions set out in Section 4.3, no other Shares are issued, and no other Securities are converted into Shares, examples of the dilutive impact of the Offers on Shareholders are set out in the table below.

Holder	Holding	% of total Shares held at the date of this Prospectus	% of total Shares held if Options are exercised at the date of this Prospectus
Shareholder 1	150,000,000	4.90%	4.80%
Shareholder 2	100,000,000	3.27%	3.20%
Shareholder 3	10,000,000	0.33%	0.32%
Shareholder 4	5,000,000	0.16%	0.16%
Shareholder 5	2,500,000	0.08%	0.08%

The total number of Shares on issue on a fully diluted basis (assuming all options and performance rights on issue are converted into Shares) is 3,447,433,718.

3.3 Financial effect of the Offers

(a) Use of funds

No funds will be raised under the Offers. After paying expenses of the Offers of approximately \$39,029 (exclusive of GST) (refer to Section 5.12 for further details), there will be no net proceeds from the Offers. The expenses of the Offers will be met from the Company's existing cash reserves.

The Company will receive \$0.027 per Option if exercised. If all Options are exercised, the Company will receive approximately \$1,755,000. There is no certainty that any Options will be exercised and the proportion exercised will depend on the Share price relative to the exercise price during the exercise period. It is currently intended that any funds raised as a result of the Offers (including pursuant to the exercise of any Options) will be used towards the expenses of the Offers, continued exploration and development of the Company's existing projects (including the Lake Hope Project and Arkun Project) and for working capital purposes (refer to the Company's Quarterly Activities Report for further details on the Company's projects). Working capital includes but is not limited to corporate administration and operating costs and may be applied to additional directors' fees or executive fees, ASX and Share Registry fees, legal, tax and audit fees, insurance and travel costs.

The Company notes there are extra costs associated with the Options. Upon each exercise of Options, the Company must make filings with the ASX and will, accordingly, incur further costs in this regard. The Company intends to use a

portion of the funds raised from the Offers towards any payments associated with the exercise of Options issued under the Offers.

The application of funds will depend on when Options are exercised and the status of the Company's projects and requirements at the relevant time.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

(b) **Pro forma consolidated statement of financial position**

The unaudited pro-forma statement of financial position set out below has been prepared on the basis of the accounting policies normally adopted by the Company and reflects the position of the Company as at 31 December 2023 pursuant to its 31 December 2023 unaudited reviewed half year accounts, and the change to that position as a result of the Offers. The unaudited pro-forma statement of financial position has been prepared to provide investors with information on the pro-forma assets and liabilities of the Company, and the effect of the Offers, as noted below.

	Notes	Impact Minerals Ltd Unaudited Reviewed 31 December 2023	Offers' Adjustments Unaudited 31 December 2023 \$	Pro forma balance Unaudited 31 December 2023 \$
Current Assets				
Cash & cash equivalents		2,098,453	(39,029) ¹	2,059,424
Trade & other receivables		30,674		30,674
Other current assets		81,031		81,031
Assets held for sale		1,782,037		1,782,037
Total Current Assets		3,992,196	(39,029)	3,953,166
Non-Current Assets				
Financial assets at fair value through other comprehensive income		179,250		179,250
Property, plant and equipment		32,061		32,061
Exploration expenditure		9,590,142		9,590,142
Right of Use Assets		397,129		397,129
Other non-current assets		234,055		234,055
Total Non-Current assets		10,432,637		10,432,637
TOTAL ASSETS		14,424,833	(39,029)	14,385,804
Current Liabilities				
Trade & other payables		519,541		519,541
Short-term provisions		152,664		152,664
Lease Liabilities		72,141		72,141
Total Current Liabilities		744,346		744,346

Non-Current Liabilities			
Lease liabilities	363,289		363,289
Total Non-Current Liabilities	363,289		363,289
TOTAL LIABILITIES	1,107,635		1,107,635
NET ASSETS	13,317,198	(39,029)	13,278,169
EQUITY			
Issued capital	62,980,533	(147,029)	62,833,504
Option reserve	1,301,190	108,000 ²	1,409,190
Financial asset reserve	29,250		29,250
Transactions with non-controlling interest	(1,161,069)		(1,161,069)
Accumulated losses	(49,832,706)	-	(49,832,706)
TOTAL EQUITY	13,317,198	(39,029)	13,278,169

Notes:

1. Comprising expenses of the Offers, totalling \$39,029. Refer to the break down contained in Section 5.12.
2. Comprising Broker Options issued pursuant to the Offers valued using the Black-Scholes Option valuation technique. 15,000,000 Broker Options with an expiry date of 15 months from the date of issue, exercise price of \$0.027, share price of \$0.02, volatility of 100%, and risk free rate of 4%, resulting in a valuation of \$0.0072 per Broker Option for a total of \$108,000.

(c) Basis of Preparation

The unaudited pro forma statement of financial position has been prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position is based on the reviewed financial position as at 31 December 2023. Other than in the ordinary course of business and the \$3,000,000 capital raising announced to the ASX on 17 May 2024, there have been no other material transactions between that date and the date of this Prospectus that have affected the Company's financial position.

3.4 Effect on control on the Company

The Offers will not have a material impact on the control (as defined by section 50AA of the Corporations Act) of the Company. No investor or Existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

3.5 Substantial Shareholders as at the date of this Prospectus

Based on publicly available information as at the date of this Prospectus, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out in the table below:

Shareholder Name	Number of Shares	Voting Power
Mrs Susanne Bunneneberg	482,642,675	16.85%
Deutsche Balaton Aktiengesellschaft	201,729,905	8.13%

4. Rights attaching to the Company's Shares and Options

4.1 Terms and conditions of Shares

All Shares issued on exercise of the Options will rank *pari passu* in all respects with the Company's existing ordinary fully paid shares. The Company will apply for Official Quotation of all Shares issued upon exercise of Options.

4.2 Rights and liabilities attaching to the Shares

(a) General

Full details of the rights and liabilities attaching to the Shares are:

- (i) detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- (ii) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(c) Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:

- (i) declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
- (ii) determine that a dividend is payable, fix the amount and time for payment.

(d) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(e) Transfer of Shares

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the

purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(f) Meetings and notice

Each Shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

(g) Liquidation rights

The Company has one class of share on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

(h) Variation of rights

Subject to the Corporations Act and the Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act.

(i) Election of Directors

At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the Managing Director.

(j) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(k) Winding up

Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(l) Shareholder liability

As the Shares offered under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(m) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least

28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(n) Listing Rules

The Company has been admitted to trading on the Official List of ASX. Accordingly, despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

4.3 Terms and conditions of Options

The terms and conditions of the Options are as follows:

- (a) **(Entitlement):** Each Option gives the holder the right to subscribe for one Share.
- (b) **(Expiry Date):** The Options will expire 15 months from the date of issue at 5.00pm (AWST) **(Expiry Date)**. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Price):** Subject to Section 4.3(j), the amount payable upon exercise of each Option is \$0.027 per Option **(Exercise Price)**.
- (d) **(Exercise):** A holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised **(Exercise Notice)**; and
 - (ii) an electronic funds transfer for the Exercise Price for the number of Options being exercised,**(Exercise Date)**.
- (e) **(Exercise Notice):** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 16,666 must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise):** Within 15 Business Days after the later of the following:
 - (i) Exercise Date; and
 - (ii) when "excluded information" in respect of the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be "excluded information",

the Company will:

- For personal use only
- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice and for which cleared funds have been received by the Company (if required);
 - (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (v) if admitted to the Official List at the time, apply for Official Quotation of Shares issued pursuant to the exercise of the Options.

If the Company is unable to deliver a notice under Section 4.3(f)(iv) (above) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things reasonably necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where a "cleansing prospectus" is required, any Shares issued on exercise of Options will be subject to a holding lock until such time as a prospectus is issued by the Company.

- (g) **(Transferability)**: The Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws.
- (h) **(Ranking of Shares)**: All Shares allotted upon the exercise of Options will upon allotment be fully paid and rank *pari passu* in all respects with other Shares.
- (i) **(Quotation)**: The Company will apply for Quotation of the Options on ASX. The Company will apply for Quotation of all Shares allotted pursuant to the exercise of Options on ASX within 5 Business Days after the date of allotment of those Shares.
- (j) **(Reconstruction)**: If at any time the issued capital of the Company is reorganised or reconstructed, all rights of a holder of Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation or reconstruction.
- (k) **(Participating rights)**: There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options, without exercising the Options.
- (l) **(Change in exercise price or number of Shares)**: Subject always to the rights under Sections 4.3(m) and 4.3(j), there will be no change to the Exercise Price or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company.
- (m) **(Adjustment for bonus issue)**: If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Options to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Options held by the holder were exercised immediately prior to the

record date of the bonus issue, and in any event in a manner consistent with the Listing Rules at the time of the bonus issue.

- (n) **(Amendments):** An Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

5. Additional Information

5.1 Company Update

Details of the Company's current activities are set out in the announcements made by the Company to the ASX and are available from the ASX, or the Company's website at <https://www.impactminerals.com.au/>.

5.2 Nature of this Prospectus

The Options to be issued pursuant to this Prospectus are options over continuously quoted securities. This Prospectus is issued under the special prospectus content rules for continuously quoted securities in Section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offers and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offers on the Company; and
- (b) the rights and liabilities attaching to the Options offered pursuant to this Prospectus and the underlying securities.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

5.3 Dividend Policy

The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

5.4 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation

under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.5 below). Copies of all documents announced to the ASX can be found at <https://www.asx.com.au/markets/trade-our-cash-market/announcements.ipt>.

5.5 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the annual financial report of the Company for the financial year ended 30 June 2023, being the last annual financial report for a full financial year of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the half-year financial report for the period ending 31 December 2023;
- (c) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in Section 5.5(a) above until the date of this Prospectus:

Date lodged	Subject of Announcement
01/11/2023	Annual Report to Shareholders
01/11/2023	Proposed issue of securities - IPT
01/11/2023	Suspension from Quotation
01/11/2023	Notice of Annual General Meeting/Proxy Form
01/11/2023	Letter to Shareholders
01/11/2023	Reinstatement to Quotation
06/11/2023	Notification of cessation of securities - IPT
07/11/2023	Trading Halt
09/11/2023	Lake Hope Scoping Study
10/11/2023	Appendix 3Y x 3
16/11/2023	Noosa Mining Conference Presentation
30/11/2023	AGM Presentation
30/11/2023	Results of Annual General Meeting
30/11/2023	Change of Company Secretary and Chief Financial Officer
19/12/2023	Notification regarding unquoted securities - IPT
19/12/2023	Appendix 3Y x 4
20/12/2023	Bulk Sampling Program at Lake Hope
04/01/2024	Hyperion A Significant Rare Earth Soil Anomaly at Arkun
24/01/2024	Caligula A Significant Copper Target at the Arkun Project
30/01/2024	Quarterly Cashflow Report
30/01/2024	Quarterly Activities Report
19/02/2024	Key milestone of 99.99% (4N) HPA achieved at the Lake Hope

27/02/2024	Breakthrough alternative HPA metallurgy route at Lake Hope
01/03/2024	Change of Share Registry Details
13/03/2024	Half Yearly Report and Accounts
14/03/2024	Significant Expansion of the Arkun Project
19/03/2024	Agreement Signed For The Sale Of The Commonwealth Project
21/03/2024	IPT to present at The Stock Networks ASX Gems Conference
22/03/2024	ASX Gems Conference Presentation
28/03/2024	Singapore- Future Facing Commodities Conference Presentation
16/04/2024	Maiden Drill Programme to Commence at the Arkun Project, WA
19/04/2024	Drilling Underway at the Hyperion REE Prospect Arkun Project
26/04/2024	Notice of Release of Escrowed Securities
29/04/2024	Letter to Option Holders
30/04/2024	Quarterly Cashflow Report
30/04/2024	Quarterly Activities Report
01/05/2024	EIS Funding of \$180,000 Awarded for Drilling at Caligula
03/05/2024	Change in Substantial Holding
08/05/2024	RIU Sydney Resources Round-up Conference Presentation
14/05/2024	No Threatened Flora and Fauna at Lake Hope Project
15/05/2024	Trading Halt
17/05/2024	Impact funded to complete Pre-Feasibility Study at Lake Hope
17/05/2024	Proposed issue of securities - IPT
17/05/2024	Cleansing Notice
17/05/2024	Application for quotation of securities - IPT
24/05/2024	Notification of cessation of securities - IPT
24/05/2024	Application for quotation of securities - IPT
24/05/2024	Application for quotation of securities - IPT
24/05/2024	Cleansing Notice
28/05/2024	Shareholders and Investors Webinar Presentation
30/05/2024	MarketOpen Direct Connect Conference Presentation
04/06/2024	Application for quotation of securities - IPT
04/06/2024	Notification of cessation of securities - IPT
04/06/2024	Cleansing Notice
05/06/2024	Exercise of Options
14/06/2024	Impact receive \$354,000 from Research and Development Rebate
19/06/2024	World-leading low-carbon credentials for Lake Hope Project
19/06/2024	Appendix 3Y x 3
20/06/2024	RIU Gold Coast Investment Showcase 2024 Presentation

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and

- (c) the consents referred to in Section 5.13 and the consents provided by the Directors to the issue of this Prospectus.

5.6 Information excluded from continuous disclosure notices

Other than as set out above and in this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules.

5.7 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

5.8 Market price of Shares

The highest and lowest closing market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Lowest: \$0.014 on 21, 25, 26, 27 March and 5 April 2024.

Highest: \$0.024 on 7 and 8 May 2024.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.016 on 21 June 2024.

5.9 Interests of Directors

- (a) Information disclosed in this Prospectus

Other than as set out in this Prospectus, no Director (or entity in which they are a partner or director) holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (iv) as an inducement to become, or to qualify as, a Director; or
- (v) for services provided in connection with the formation or promotion of the Company, or the Offers.

- (b) Security holdings

The relevant interests of each of the Directors in Securities as at the date of this Prospectus is set out below.

Director	Shares	Voting Power	Options	Performance Rights ¹
Peter Unsworth	19,994,440 ²	0.65%	25,000,000 ³	30,000,000
Michael Jones	9,643,814 ⁴	0.32%	50,000,000 ⁵	60,000,000
Frank Bierlein	Nil	0%	16,000,000 ⁶	8,000,000
Paul Ingram	847,098 ⁷	0.03%	16,000,000 ⁸	12,000,000

Notes:

1. Each of the current Directors of the Company were issued performance rights with shareholder approval obtained at the annual general meeting of the Company held on 30 November 2023. Refer to section 7.2 of the Explanatory Memorandum to the Notice of Annual General Meeting dated 1 November 2023.
2. In accordance with section 608(3) of the Corporations Act, Mr Unsworth has a relevant interest in 19,994,440 Shares, held as follows:
 - (a) 12,982,391 Shares held by PJ Enterprises Pty Limited, a company controlled by Mr Unsworth; and
 - (b) 7,012,049 Shares held by Manotel Pty Ltd, a company controlled by Mr Unsworth.
3. In accordance with section 608(1) and (3) of the Corporations Act, Mr Unsworth has a relevant interest in 25,000,000 options, held as follows:
 - (a) 13,000,000 unquoted options, held directly, exercisable at \$0.0217 and expiring 31 October 2025; and
 - (b) 12,000,000 unquoted options, held directly, exercisable at \$0.0125 and expiring 30 November 2025.
4. In accordance with section 608(3) of the Corporations Act, Dr Jones has a relevant interest in 9,643,814 Shares, held by Image Interpretation Technologies Pty Ltd, a company controlled by Dr Jones.
5. In accordance with section 608(1) and (3) of the Corporations Act, Dr Jones has a relevant interest in 50,000,000 options, comprising:
 - (a) 25,000,000 unquoted options, held directly, exercisable at \$0.0217 and expiring 31 October 2025; and
 - (b) 25,000,000 unquoted options, held directly, exercisable at \$0.0125 and expiring 30 November 2025.
6. In accordance with section 608(1) of the Corporations Act, Dr Bierlein has a relevant interest in 16,000,000 options, comprising:
 - (a) 8,000,000 unquoted options, held directly, exercisable at \$0.0217 and expiring 31 October 2025; and
 - (b) 8,000,000 unquoted options, held directly, exercisable at \$0.0125 and expiring 30 November 2025.
7. In accordance with section 608(3) of the Corporations Act, Mr Ingram has a relevant interest in 847,098 Shares, held by Fabian Entertainment and Management Services Pty Ltd, a company controlled by Mr Ingram.

8. In accordance with section 608(1) and (3) of the Corporations Act, Mr Ingram has a relevant interest in 16,000,000 options, comprising:
- (a) 8,000,000 unquoted options, held directly, exercisable at \$0.0217 and expiring 31 October 2025; and
 - (b) 8,000,000 unquoted options, held directly, exercisable at \$0.0125 and expiring 30 November 2025.

(c) **Remuneration of Directors**

The Constitution of the Company provides that the non-executive Directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$250,000. This aggregate amount is to be allocated among the non-executive Directors equally, having regard to the proportion of the relevant year for which each Director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors; and
- (ii) if any of the Directors being willing are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for his or her share in the fee-pool described above.

The remuneration of executive Directors is to be fixed by the Board.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies as at the date of this Prospectus, inclusive of directors fees, consultancy fees, superannuation benefits and share-based payments.

Director	(\$) ¹
Peter Unsworth	133,994
Michael Jones	389,380
Frank Bierlein	81,929
Paul Ingram	81,929

Notes:

1. Amounts are exclusive of superannuation and GST (as applicable).

5.10 Related party transactions

Except as disclosed in this Prospectus, there are no related party transactions involved in the Offers. None of the Directors will participate in the Offers.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting, unless it is resolved by the Board of Directors that the Director can be present at the meeting but does not vote on the matter.

5.11 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Options offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Options offered under this Prospectus, or the Offers; or
- (b) has been paid or given or has agreed to be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Options offered under this Prospectus, or the Offers.

HWL Ebsworth Lawyers will be paid approximately \$20,000 (plus GST) in fees for legal services in connection with the Offers. Over the past 24 months preceding lodgement of this Prospectus with ASIC, other than in relation to the Offers, HWL Ebsworth Lawyers has provided various legal services to the Company and its subsidiaries and has been paid approximately \$272,670 (plus GST).

Automic Pty Ltd will be paid approximately \$2,500 (plus GST) in fees for share registry services in connection with the Offers. Over the past 24 months preceding lodgement of this Prospectus with ASIC, other than in relation to the Offers, Automic Pty Ltd (and its related entities) have provided various share registry services to the Company and its subsidiaries and has been paid approximately \$41,880 (plus GST).

Hall Chadwick WA Audit Pty Ltd will not be paid any fees for accounting and auditing services provided in connection with the Offers. Over the past 24 months preceding lodgement of this Prospectus with ASIC, other than in relation to the Offers, Hall Chadwick WA Audit Pty Ltd has provided accounting and auditing services to the Company and its subsidiaries and has been paid approximately \$86,325 (plus GST).

BPC has acted as one of the Joint Lead Managers to the Offers. Details of the payments to be made to BPC are set out in Section 1.1. Over the past 24 months preceding lodgement of this Prospectus with ASIC, other than in relation to the Offers, BPC has provided corporate advisory and marketing services to the Company and its subsidiaries and has been paid approximately \$145,549 (plus GST).

Evolution has acted as one of the Joint Lead Managers to the Offers. Details of the payments to be made to Evolution are set out in Section 1.1. Over the past 24 months preceding lodgement of this Prospectus with ASIC, other than in relation to the Offers, Evolution has provided corporate advisory services to the Company and its subsidiaries and has been paid approximately \$86,105 (plus GST).

5.12 Expenses of Offers

The estimated expenses of the Offers are as follows:

Estimated expenses of the Offers	\$⁽¹⁾
ASIC lodgement fee	\$3,206
Quotation fee	\$8,323
Legal and preparation expenses	\$20,000
Share Registry expenses	\$2,500
Printing, mailing and other expenses	\$5,000
Total	\$39,029

Notes:

1. All amounts are exclusive of GST.

5.13 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

HWL Ebsworth Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. HWL Ebsworth Lawyers has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automic Pty Ltd has given its written consent to being named as the Share Registry to the Company in this Prospectus. Automic Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Hall Chadwick WA Audit Pty Ltd has given its written consent to being named as the Auditor to the Company in this Prospectus. Hall Chadwick WA Audit Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

BPC has given its written consent to being named as a Joint Lead Manager to the Offers in this Prospectus. BPC has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Evolution has given its written consent to being named as a Joint Lead Manager to the Offers in this Prospectus. Evolution has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

6. Directors' statement and consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in black ink, appearing to read 'Michael Jones', written over a horizontal line.

Michael Jones
Managing Director

24 June 2024

7. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

Term	Meaning
A\$ or \$	Australian dollars unless otherwise stated.
Applicant	an investor who applies for Options pursuant to the Offers.
Application	a valid application made on an Application Form to subscribe for Options pursuant to this Prospectus.
Application Form	an application form attached to or accompanying this Prospectus.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange operated by it (as the case requires).
ASX Settlement	ASX Settlement Pty Limited ACN 008 504 532.
ASX Settlement Operating Rules	ASX Settlement Operating Rules of ASX Settlement.
AWST	Australian Western Standard Time.
Board	the board of directors of the Company.
BPC	Barclay Pearce Capital Asset Management Pty Ltd ACN 661 805 250.
Broker Mandate	the joint lead manager mandate in relation to the Placement between the Company, BPC and Evolution dated 14 May 2024.
Broker Offer	the offer of 15,000,000 Options to the Joint Lead Managers pursuant to the Broker Mandate.
Broker Option	has the meaning given to it in Section 1.2.
Business Day	a day on which banks are open for business in Perth, Western Australia, other than a Saturday, Sunday or public holiday in Perth, Western Australia.
CHESS	the Clearing House Electronic Sub-register System operated by ASX Settlement.
Closing Date	5.00pm AWST on 28 June 2024.
Commonwealth Project	has the meaning given to it in Section 2.2(c).
Company	Impact Minerals Limited ACN 119 062 261.
Constitution	the constitution of the Company.

Term	Meaning
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Director	a director of the Company.
Evolution	Evolution Capital Pty Ltd ACN 652 397 263.
Exercise Notice	has the meaning given to it in Section 4.3(d).
Exercise Price	has the meaning given to it in Section 4.3(c).
Existing Shareholders	persons holding Shares as at the date of this Prospectus.
Expiry Date	has the meaning given to it in Section 4.3(b).
GST	goods and service tax levied in Australia pursuant to <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Issuer Sponsored	means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.
Joint Lead Managers	BPC and Evolution.
Listing Rules	the official listing rules of ASX.
Offers	the Options Offer and Broker Offer pursuant to this Prospectus.
Official List	the official list of the ASX.
Opening Date	24 June 2024.
Option	an option, giving the holder the right but not an obligation to acquire a Share, on the terms and conditions set out in Section 4.3, unless the context provides otherwise.
Options Offer	the offer of Options under this Prospectus to persons who participated in the Placement.
Placement	the Company's placement announced to ASX on 17 May 2024.
Placement Participants	persons who participated in the Placement.
Prospectus	this prospectus dated 24 June 2024.
Projects	the Company's mining exploration projects.
Quotation or Official Quotation	quotation of Securities on the Official List.
Section	a section of this Prospectus.

Term	Meaning
Securities	any securities, including Shares and Options issued or granted by the Company.
Share	a fully paid ordinary share in the capital of the Company.
Share Registry	Automic Pty Ltd ACN 152 260 814.
Shareholder	a registered holder of Shares.
Timetable	has the meaning given to it in Section 1.9.